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0851-65

Copy 2 of 3

22 NOV 1965

MEMORANDUM FOR: Chief, Budget and Finance, OSA

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SUBJECT: Contract No. DG-455
Recommendation to Close Out.

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1. Please be advised that Contract No. DG-455, a CPFF Contract, which was written for the Navy has been satisfactorily completed. The equipment, (1 each [redacted]) has been received by the Navy. For your action in closing out subject contract there is attached hereto the following:

- A. Final Audit Report
- B. Contractor's Release together with Certificate
- C. Royalty Report
- D. Contractor's Assignment of Refunds, Rebates, Credits and Other Amounts.
- E. Contract Cumulative Claim and Reconciliation
- F. Inventory Schedule B

2. It is to be noted from the Inventory Schedule that there were 24 pieces residual material resulting from this contract, the acquisition of which was \$267.08. Capt. D. G. Wilson, U. S. Navy, was contacted as to disposition of subject property. He advised that the Navy had no need for this property. Following disposition procedures, Technical people in OSA and the Depot were contacted to ascertain if they desired the equipment, the answers were negative. The Contractor was then asked for his recommendation as to disposition and he advised that he didn't need it or want it, however, he would offer \$10 for the equipment. The Navy was contacted and they advised that it probably was a reasonable amount. The Negotiator then contacted the Contractor and asked if he would give \$25 for the equipment and he said he would.

DOCUMENT NO. _____
NO CHANGE IN CLASS. ☒
☐ DECLASSIFIED
CLASS. CHANGED TO: TS S D 2011
NEXT REVIEW DATE: _____
AUTH: HR 70-2
DATE: 29 12 81 REVIEWER: 064540

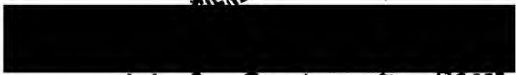
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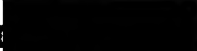
3. The Contract Cumulative Claim attached hereto indicates a payment is due the Contractor in the amount of \$11,631.50. Since, as indicated, he has offered \$25 for the residual material it is suggested that your office deduct \$25 from this amount due and indicate in your payment to the Contractor that you have done so in accordance with his agreement with us to buy the residual inventory resulting from this contract.

4. It is trusted that the above will suffice for your office to take necessary action to close out this contract and when such is accomplished you will advise this office in order that our contract files may be sent to Archives.

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Chief, Contracts Division, OSA

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CD/OSA/DDS&T  nr (22 Nov 65)
DIST: 1 - C/BFB/OSA
2 - CD/OSA - DG-455
3 - RB/OSA

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DEPARTMENT OF THE AIR FORCE
HEADQUARTERS UNITED STATES AIR FORCE
WASHINGTON 25, D.C.



REPLY TO
ATTN OF:

OSA-4290-65
#1711

SUBJECT:

REPLY TO:
Audit Liaison Office
P. O. Box 8155
S. W. Station
Washington, D. C.

TO:

2 November 1965

SUBJECT: Report on Final Audit of CPFF Prime
Contract No. DG-455

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TO : Contracting Officer

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1. A final audit was performed on costs incurred under subject contract which authorized the Contractor to design, fabricate, and test a [REDACTED] The contract also provided for a spare parts list, operating manuals and field service. Funds allotted to the program amounted to [REDACTED] The performance period commenced 5 October 1964 and ended 10 September 1965.

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2 Contractor's incurred costs exceeded the contract ceiling [REDACTED] A summary of incurred costs is detailed in Exhibit A and the results of audit are as follows:

Total costs claimed and approved
Fixed fee

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Total Approved

Allowable costs were determined in accordance with Part 2, Section XV, Armed Services Procurement Regulations and other terms of the contract.

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3. The Contractor has prepared an inventory of residual material amounting to \$267.08 and is presently awaiting Contracting Officer's instructions for disposition. Other than possible sale of residual material, there are no known potential credits or refunds. There are no unclaimed deposits or unpresented checks outstanding. There are no known scrap or other credits due with respect to property either acquired or furnished by the Government under the contract.

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/ Auditor General Representative (APL)

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ILLEGIB

Approved For Release 2001/07/12 : CIA-RDP66B00728R000200160001-0

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Contract No: DG 455

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Pursuant to the terms of Contract No. DG 455, and in

said contract to:

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(hereinafter called the Contractor) or to its assignees, if any, the Contractor, upon payment of the said sum by the UNITED STATES OF AMERICA (hereinafter called the Government), does remise, release, and discharge the Government, its officers, agents and employees, of and from all liabilities, obligations, claims, and demands whatsoever under or arising from the said contract, except:

1. Specified claims in stated amounts or in estimated amounts where the amounts are not susceptible of exact statement by the Contractor, as follows:

2. Claims, together with reasonable expenses incidental thereto, based upon the liabilities of the Contractor to third parties arising out of the performance of the said contract, which are not known to the Contractor on the date of the execution of this release and of which the Contractor gives notice in writing to the Contracting Officer within the period specified in the said contract.

3. Claims for reimbursement of costs (other than expenses of the Contractor by reason of its indemnification of the Government against patent liability, including reasonable expenses incidental thereto, incurred by the Contractor under the provisions of the said contract relating to patents.


The Contractor agrees, in connection with patent matters and with claims which are not released as set forth above, that it will comply with all the provisions of the said contract, including without limitation those provisions relating to notification to the Contracting Officer and relating to the defense or prosecution of litigation.

IN WITNESS WHEREOF, this release has been executed this 19th day of October, 19 65.


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CERTIFICATION

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I, , certify that I am the president

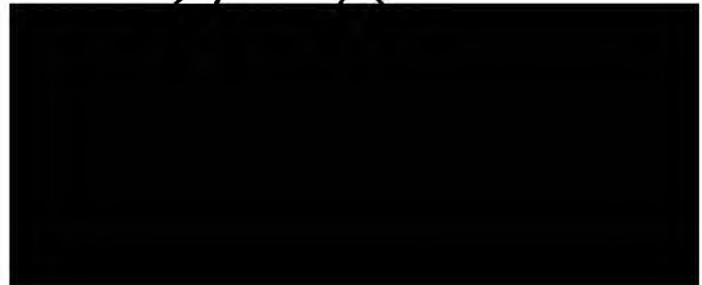
of the corporation named as Contractor in the foregoing release; and that

 who signed said release on behalf of the

25X1A Contractor was then Vice-President of said corporation; and that said release was duly signed for and in behalf of said corporation by authority of its governing body and is within the scope of its corporate powers.

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(CORPORATE SEAL)



ROYALTY REPORT

(Foreign and Domestic)

Form Approved
Budget Bureau No. 22-R 145

INSTRUCTIONS TO CONTRACTOR

This form is optional for use in submitting the required Royalty information in quadruplicate to the Contracting Officer in the following manner for each separate item of royalty or license fee:

(a) **FOREIGN:** When used in connection with reporting royalties pursuant to contracts in excess of \$50,000, containing the "Reporting of Royalties (Foreign)" clause, items 1 through 13 should be completed. If royalties have not been paid or are not to be paid directly to others in the performance of the contract specified in item 2 below, complete only items 1, 2, and 13. This report shall be furnished as soon as possible after execution of the contract but in any event prior to final payment.

(b) **DOMESTIC:** (1) When used to furnish the information required by ASPR 9-110, items 1 through 12 shall be completed. (2) When used as the separate schedule required by footnote 10, DD Form 633, Cost and Price Analysis, by paragraph (p) of the Specific Instructions of DD Form 784, Cost Analysis For Contract Price Redetermination, or by footnote 6 of DD Form 1107, Change Order Price Analysis, items 1 through 12 shall be completed.

1. NAME AND ADDRESS OF CONTRACTOR

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2. CONTRACT NUMBER
DG 455

3. CONTRACT TYPE (Check one)

☒ COST REIMBURSEMENT
☐ FIXED PRICE

5. DATE OF LICENSE AGREEMENT

NAME AND ADDRESS OF LICENSOR

6. PATENT NUMBER, PATENT APPLICATION SERIAL NUMBERS OR OTHER BASIS ON WHICH THE ROYALTY IS PAYABLE

None

7. BRIEF DESCRIPTION, INCLUDING ANY PART OR MODEL NUMBERS OF THE CONTRACT ITEM OR COMPONENT ON WHICH THE ROYALTY IS PAYABLE

None

COMPUTATION OF ROYALTIES

8. PERCENTAGE OR DOLLAR RATE OR ROYALTY PER UNIT

9. UNIT PRICE OF THE PARTS, ITEMS, OR COMPONENTS DESCRIBED IN 7

10. NUMBER OF UNITS

11. TOTAL DOLLAR AMOUNT OF ROYALTIES

12. TOTAL NUMBER OF LICENSORS UNDER THE CONTRACT

None

CERTIFICATION (FOREIGN ONLY)

CONTRACTOR CERTIFIES, IF ITEMS 3 THROUGH 12 HAVE NOT BEEN COMPLETED, THAT ROYALTIES HAVE NOT BEEN PAID AND ARE NOT TO BE PAID IN CONNECTION WITH THE PERFORMANCE OF THE ABOVE IDENTIFIED CONTRACT. CONTRACTOR CERTIFIES THAT ITEMS 4 THROUGH 12, IF COMPLETED, AND ALL ATTACHMENTS REQUIRED FOR SUCH ITEMS ARE TRUE AND CORRECT AS TO PAST TRANSACTIONS AND REPRESENT CONTRACTOR'S BEST ESTIMATE AS TO FUTURE TRANSACTIONS INCLUDED IN THIS REPORT.

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1 Approved For


DATE

CONTRACTOR'S ASSIGNMENT OF REFUNDS,
REBATES, CREDITS AND OTHER AMOUNTS

Contract No: DG 455

Pursuant to the terms of Contract No. DG 455, and in consideration of the reimbursement of costs and payment of fee, as provided in the said contract and any assignment thereunder,

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(hereinafter called the Contractor) does hereby:

1. Assign, transfer, set over and release to the UNITED STATES OF AMERICA, (hereinafter called the Government), all right, title and interest to all refunds, rebates, credits, and other amounts (including any interest thereon) arising out of the performance of the said contract, together with all the rights of action accrued to which may hereafter accrue thereunder, (except those for refunds, rebates, or credits for taxes paid to the State of California or any political subdivision thereof).

2. Agree to take whatever action may be necessary to effect prompt collection of all refunds, rebates, credits, and other amounts (including any interest thereon) due or which may become due, and to promptly forward to the (Contracting Officer) checks (made payable to the Treasurer of the United States) for any proceeds so collected. The reasonable costs of any such action to effect collection shall constitute allowable costs when approved by the Contracting Officer as stated in the said contract and may be applied to reduce any amounts otherwise payable to the Government under the terms hereof.

3. Agree to cooperate fully with Government as to any claim or suit in connection with refunds, rebates, credits or other amounts due (including any interest thereon); to execute any protest, pleading, application, power of attorney or other papers in connection therewith; and to permit the Government to represent it at any hearing, trial or other procedure arising out of such claim or suit.

4. In the event the contractor obtains or receives any refund, rebate, or credit for taxes paid to the State of California or any political subdivision thereof in connection with the performance of this contract, and for which the contractor is paid or reimbursed by the Government, the contractor agrees to pay over to the Government an amount equal to such refund or credit (including interest paid or credited to the contractor incident to such refund or credit to the extent such interest was earned after the contractor was paid or reimbursed by the Government for such taxes). In the event the contractor receives any benefit in lieu of or in addition to such refund, rebate or credit, the contractor agrees to pay over to the Government an amount equal to such benefit.

IN WITNESS WHEREOF, this assignment has been executed this 19th day of October, 1965

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Approved For Release 2001/07/12 : CIA-RDP66B00728R000200160001-0

Next 1 Page(s) In Document Exempt

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INSTRUCTIONS FOR USE—INVENTORY SCHEDULE B
RAW MATERIALS • PURCHASED PARTS • FINISHED COMPONENTS • FINISHED PRODUCTS • MISCELLANEOUS
DD FORM 543

A. CLASSIFICATION.—1. The term "Raw Materials" is here used to include materials in primary form. Examples of the many different general classifications of raw materials (other than metals) include:

Chemical	Rubber	Shoe cut stock
Pulp and paper	Textiles	Cement
Paper board	Kapok	Cork
Plastics (primary forms)	Hair	Cotton
Oils, fats, and waxes	Lumber	Wool
	Hides and skins	Glass
	Leather	

2. Examples of some of the large number of general classifications of parts, components, finished products, or miscellaneous includes:

Engines and turbines	Conveyors	Surgical Instruments
Compressors and pumps	Fans and blowers	Electric Motors
Insulated wire and cable	Bearings	Drugs
Nuts and bolts	Valves	Ignition Equipment

3. Items having no commercial value may be placed in a single classification designated "No Commercial Value." For items deemed to have commercial value, use a new form for each classification. Insert the name of the classification in the designated block at the upper right-hand corner of the inventory form and arrange the items falling under that classification in sequence under separate subheadings. For example, on the sheet or sheets used to list Chemicals, group separately all Acids, all Alkalis, all Resins, etc. Under the general classification of Insulated Wire and Cable, group separately all Asbestos-Insulated Copper Wire, all Rubber-Insulated Copper Wire, all Magnet Wire, etc. On the sheets for Drugs, group separately all Antitoxins, all Vaccines, all Strychnine Derivatives, all Morphine Derivatives, etc.

B. DESCRIPTION (Column b).—A full commercial description is required for all items which have commercial value. For other items, furnish only such description as is sufficient to enable the contracting officer or the customer to determine the appropriate disposition. Where there is doubt as to the extent of the description required, consult the contracting officer or the customer.

C. CONDITION (Column c)—For purpose of indicating condition of material, the code indicated below should be used. It requires the combination of a letter and a number in each instance (as E4 or N2). Use the letter "X" without a number, for material considered to have no further value for use as originally intended, but of possible salvage value other than as scrap. If

considered scrap, insert an "S."

CODE: N—New
 E—Used—reconditioned
 O—Used—usable without repairs
 R—Used—repairs required

1—Excellent
 2—Good
 3—Fair
 4—Poor

D. COST (Columns e and f).—Any generally recognized basis for costing inventory may be used, provided it has been regularly used by the contractor and properly reflects his costs.

E. COMMON ITEMS.—Any items of inventory reasonably usable, without loss to the contractor on its other work, because they are materials, parts, or components, common in nature to both the terminated contract and other work of the contractor, are not to be listed except for items the delivery of which has been required by the Government and except for Government-furnished property. (See Inventory Schedule Certificate.)

F. PROCEEDS OF AUTHORIZED SALE (Column g).—Insert the letter "A" after the amount if the sale (or credit for acquisition) has been authorized or approved by the contracting officer or customer. Insert the letter "C" if the amount represents your offer to acquire or sell. In either case, quantity should also be shown (on a second line) if less than the full quantity shown in column d.

G. GOVERNMENT-OWNED PROPERTY

(a) Government-furnished property should be listed on separate sheets, marked to show that the items are Government-furnished.

(b) Where title to materials purchased by the contractor is vested in the Government, such materials should be listed and cost data supplied.

H. MISCELLANEOUS

(a) This form may be reproduced provided no change in format or size is made.

(b) *Separate Schedules.*—If the space provided for any information called for is insufficient, attach separate supporting schedules.

(c) *Continuation Sheets.*—Use DD Form 543-c whenever more than one page is required.

(d) *Number of Copies.*—The number of sets of inventory schedules required will be indicated by the contracting officer or the customer from whom the notice of termination is received.

Approved For Release 2001/07/12 : CIA-RDP66B00728R000200160001-0

DEPARTMENT OF DEFENSE										Form Approved Budget Bureau No. 22-R075	
INVENTORY SCHEDULE B - CONTINUATION SHEET										<input type="checkbox"/> TERMINATION <input checked="" type="checkbox"/> NON-TERMINATION	
RAW MATERIALS (Other than Metals)		<input checked="" type="checkbox"/> PURCHASED PARTS		<input type="checkbox"/> FINISHED COMPONENTS		<input type="checkbox"/> FINISHED PRODUCT		<input type="checkbox"/> MISCELLANEOUS			
GOVERNMENT PRIME CONTRACT NO.		SUBCONTRACT OR P.O. NO.		REFERENCE NO.		PROPERTY CLASSIFICATION (See Instruction on DD 543)		DATE		PAGE NO.	NO. OF PAGES
DG 455								10/19/65		2	2
FOR USE OF CON- TRACTING AGENCY ONLY	ITEM NO.	DESCRIPTION	GOVERNMENT PART OR DRAWING NO. AND REV. NO.	TYPE OF PACKING (Bulk, bble, crates, etc.)	CONDITION (Use code)	QUANTITY	UNIT OF MEASURE	(For finished product, show contract price instead of cost)		CONTRACTOR'S OFFER OR PROCEEDS OF SALE	FOR USE OF CON- TRACTING AGENCY ONLY
								UNIT	TOTAL		
a	b	b1	b2	c	d	d1	e	f	g		
	1.	7507-1011, Capacitor				1	ea.	.72	.72		
	2.	7507-1090, Stand Off				100	100	9.35	9.35		
	3.	7507-1100, Cable Clamp				1	ea.	.85	.85		
	4.	7507-1136, Bendix Gasket				1	ea.	.08	.08		
	5.	7507-1097, Connector				1	ea.	4.04	4.04		
	6.	7507-1096, Connector				1	ea.	2.70	2.70		
	7.	7507-1135, Potentiometer				1	ea.	3.00	3.00		
	8.	7507-1074, Microswitch				1	ea.	7.35	7.35		
	9.	7507-1084, Diode, IN2069SYL				50	ea.	.33	16.50		
	10.	7507-1002, Black Pad				2	ea.	.40	.80		
	11.	7507-1049, Springs				6	ea.	1.00	6.00		
	12.	7507-1003, Springs				10	ea.	.34	3.40		
	13.	7507-1020, Handle				2	ea.	3.62	7.24		
	14.	7507-1018, Tachometer				1	ea.	56.00	56.00		
	15.	7507-1028, Springs				8	ea.	.85	6.80		
	16.	7507-1029, Springs				8	ea.	.90	7.20		
	17.	7507-1026, Bearing				2	ea.	2.18	4.36		
	18.	7507-1077, Belt				1	ea.	7.91	7.91		
	19.	7507-1078, Belt				1	ea.	7.06	7.06		
	20.	7507-1079, Belt 4202075				2	ea.	6.49	12.98		
	21.	7507- , Belt 450H075				1	ea.	6.50	6.50		
	22.	7507- , Pulley				1	ea.	36.00	36.00		
	23.	7507- , Pulley				2	ea.	23.37	46.74		
	24.	7507-1062, Extrusion				90'	100'	15.00	13.50		
								Total	267.08		